

RIDER PSC (SC)  
POWERSHARE CALLOPTION NONRESIDENTIAL LOAD CURTAILMENTAVAILABILITY (South Carolina only)

Available on a limited and voluntary basis, at the Company's option to nonresidential Customers receiving concurrent service from the Company on any of Schedules LGS, I, OPT, and MP. This Rider is not available to Customers participating on Schedule HP, Rider PS, or Rider NM. The Company shall limit the acceptance of contracts under this Rider and all other nonresidential demand response programs, to an aggregate of 1,500,000 KW of Maximum Curtailable Demand on the Company's system.

GENERAL PROVISIONS

Under this Rider, the Customer receives credits when the Customer agrees, at the Company's request, to reduce and maintain its load by a minimum of 100 kW under one of the following Demand Reduction Options specified in the individual agreement.

- A. Firm Demand Option
- B. Fixed Demand Reduction Option

Credits are paid for the load available for curtailment, and charges are applicable when the customer fails to reduce load as requested, in accordance with the applicable Participation Option shown below.

This Rider is available each year from June through the following May. Participating customers must enroll annually prior to the beginning of each Summer Season (June – September). The Company may require 60-days advance notice of a request for service under this Rider. The Customer must select one of the following Participation Options providing for both Emergency and Economic load curtailment events:

Participation Option	Maximum Annual Economic Events Summer (June-September) Non-summer (October – May)	Maximum Annual Emergency Events
PS-0/5	0	5
PS-5/5	5 Summer, 0 Non-summer	5
PS-10/5	10 Summer, 0 Non-summer	5
PS-15/5	15	5

The Company shall utilize phone, e-mail, fax, or other means of communication to notify the Customer of a request for load reduction under an Emergency or Economic Event. If prior to or during an Economic Event the Company invokes an Emergency Event request, the Customer will receive notice under the Emergency Event provisions.

If the Customer fails to reduce load during an Economic Event, and the Company subsequently declares an Emergency Event to occur at the same time, the Customer is required to reduce load for the Emergency Event. In addition, during concurrent Emergency and Economic Events, the provisions for the Emergency Event shall take precedence over the provisions for Economic Events, and credits will be paid for load curtailed pursuant to the Emergency Event provisions.

DEFINITIONS

Contract Demand: The Contract Demand is the maximum kilowatt demand which the Company shall be required to supply to the Customer.

Maximum Curtailable Demand: The Maximum Curtailable Demand of not more than 50,000 kW is that portion of the Contract Demand which the Company will supply to the Customer at all times except during Events.

Proforma Demand: The Proforma Demand, determined by the Company in its sole discretion, is an estimate of the Customer's load during an Event that would have occurred absent the Company declaring an Event. The Proforma Demand is based on the Customer's historical load comparable to the period when the Company declares an Event.

Event: An Event is that interval of time, initiated and terminated by the Company, during which the Company requests load reduction. Events will be defined as either Emergency Events or Economic Events

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**Firm Demand:** The Firm Demand is that portion of the Contract Demand which the Company will supply to the Customer without limitation on periods of availability under the Firm Demand option and is the same value all months of the year.

**Fixed Demand Reduction:** The Fixed Demand Reduction is that portion of the Proforma Demand which the Customer commits to curtail each hour during an Event under the Fixed Demand reduction option, and is the same value all months of the year.

**Actual Load:** Actual Load is the Customer's 60-minute integrated demand per hour, expressed in kW.

**Summer Season:** Summer Season is the calendar months of June through September.

**Non-summer Season:** Non-summer Season is the calendar months of October through May, immediately following the Summer Season.

**Exposure Period:** The Exposure Period is that period of time used to determine the available energy for load reduction as follows:

Summer Months of June through September  
1:00 p.m. to 9:00 p.m., Monday through Friday,  
Excluding North American Electricity Reliability Corporation (NERC) Holidays

Non-summer Months October through May  
6:00 a.m. to 1:00 p.m., Monday through Friday,  
Excluding North American Electricity Reliability Corporation (NERC) Holidays

**Option Load:** Option Load is the amount of load reduction eligible for Monthly Premium Credits under either the Firm Demand or Fixed Demand Reduction option during the Exposure Period.

**Curtailed Energy:** Curtailed Energy is the kWh, calculated during an Event, actually curtailed by the Customer and limited to not more than an additional 1,000 kW per hour in excess of a) the difference between the Proforma Demand and the Firm Demand for customers on the Firm Demand Option or b) the difference between the Proforma Demand and the level represented by the Proforma Demand less the Fixed Demand Reduction for customers on the Fixed Demand Reduction Option.

**CURTAILMENT EVENTS**

**EMERGENCY EVENTS**

The Company's request to curtail service under an Emergency Event may be at any time the Company forecasts or has capacity constraints, including generation, transmission or distribution capacity constraints or reactive power concerns. The Company, at its sole discretion, may limit requests for curtailment to certain groups of customers.

During an Emergency Event, the Customer agrees to reduce and maintain load to either the Firm Demand or to the level represented by the Proforma Demand less the Fixed Demand Reduction.

For customers participating in the Fixed Demand Reduction option, the Company will provide the Customer with the Customer's Proforma Demand prior to the start of any Event.

The Company will provide the Customer at least six (6) hours advance notice of Emergency Events. The Company may declare an Emergency Event any day of the week irrespective of whether Economic Events have been declared during the same week.

Failure to comply during Emergency Events results in the assessment of the charges as described below, loss of the Monthly Premium Credit, and possible removal from the Program.

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The Company's request to curtail service under an Economic Event may be at any time the Company deems necessary or appropriate. The Company may also, at its sole discretion, limit requests for curtailment to certain groups of Customers.

During an Economic Event, the Customer agrees to reduce and maintain load to either the Firm Demand or to the level represented by the Proforma Demand less the Fixed Demand Reduction, based on the Customer's Demand Reduction Option.

For customers participating in the Fixed Demand Reduction Option, the Company will provide the customer with Proforma Load Levels by 8:00 a.m. on Event days during the Summer Season and by 5:00 p.m. on the day before an Event day during the Non-summer Season.

The Company may declare an Economic Event Monday through Friday, excluding NERC holidays. Notice of an Economic Event will be made no later than 4:30 p.m. on the day before the Event.

Economic Events will not be declared for more than two (2) consecutive days and for no more than three (3) days per calendar week.

Failure to comply during Economic Events results in the assessment of charges as described below.

**DETERMINATION OF CREDITS**

The Monthly Premium Credit, paid to the Customer, is calculated by multiplying the Monthly Premium Credit Rate per kW by the Option Load provided during the calendar month.

Under the Firm Demand option, the Option Load is defined as the average of 1) for nonevent hours, the actual load less the Firm Demand for each hourly interval in the Exposure Period, but not less than zero, and 2) for event hours, the Proforma Demand less the Firm Demand for each hourly interval in the Exposure Period, but not less than zero.

Under the Fixed Demand Reduction option, the Option Load is defined as the average of 1) for nonevent hours, the lesser of the Fixed Demand Reduction value or the actual load for each hourly interval in the Exposure Period, and 2) for event hours, the lesser of the Fixed Demand Reduction or the Proforma Demand for each hourly interval in the Exposure Period.

The Load Reduction Credit for an Event is calculated by multiplying the Curtailed Energy by the Load Reduction Credit Rate per kWh. Load Reduction Credits shall be paid for only the load reduced to the Firm Demand level, or the level represented by the Proforma Demand less the Fixed Demand Reduction, if during an Event, the Customer experiences a power interruption not associated with the Customer's facilities or equipment (e.g. accident, storm outage, Duke owned equipment failure, involuntary load curtailment, etc.). However, a Load Reduction Credit shall not be paid for load reduced by the Customer during any Event during which the Customer's load is already reduced for other reasons such as Customer facility renovation, repair or refurbishment of the Customer's equipment, or strike.

**CREDITS**

Credits will be applied to the monthly bill as follows for the June 1, 2010 through May 31, 2011 PowerShare season:

Participation Option	Monthly Premium Credit Rate per kW	Load Reduction Credit Rate per kWh
PS-0/5	\$0.83	4.5¢
PS-5/5	\$1.25	4.5¢
PS-10/5	\$2.08	4.5¢
PS-15/5	\$2.50	4.5¢

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DETERMINATION OF CHARGES

The energy used during an Event, above the Firm Demand or above the Proforma Demand less the Fixed Demand Reduction depending on the Customer's Demand Reduction Option, shall be deemed the Non-Compliant Energy.

The Customer will be assessed a charge equal to the kWh of any Non-Compliant Energy multiplied by 110% of the hourly prices under Schedule HP less a base energy cost of 2.5 cents per kWh. In addition, for customers with Non-Compliant Energy during an Emergency Event, the Customer will forfeit the Monthly Premium Credit for the Month.

CONTRACT

The term of the agreement is June 1 through May 31. The Company reserves the right to terminate the Agreement under this Rider at any time upon written notice to the Customer for the failure to perform satisfactorily during events as determined by the Company, in response to requests for curtailment, or for violation of any of the terms or conditions of the agreement or this Rider. In the event the Customer requests termination of service under this Rider before the end of the term, the Customer must provide 30 days written notice. In addition, if the Customer terminates the agreement under this Rider and continues service under the applicable rate schedule at the same location, the Customer shall pay a termination fee equal to the total of the Monthly Premium Credits received during the contract term.